

Note: This document is a direct translation of the *kessan tanshin* released in Japanese. All figures in millions of yen have thus been rounded down to the nearest million yen. If there are any discrepancies between this document and the original Japanese version, the original Japanese version prevails.

October 31, 2012

TV Asahi Corporation

Consolidated Earnings Report for the Six Months ended September 30, 2012 (Japanese GAAP)

Stock listing: Tokyo Stock Exchange (First Section) Securities code: 9409
Headquarters: 6-9-1 Roppongi, Minato-ku, Tokyo 106-8001 JAPAN URL: <http://company.tv-asahi.co.jp/e/index.html>
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Scheduled dates

Filing of statutory quarterly financial report (*sihanki hokokusho*): November 13, 2012

Dividend payout: December 10, 2012

Supplementary materials to quarterly financial results available: Yes

Quarterly earnings presentation held: Yes

(Amounts rounded down to the nearest ¥ million)

1. Consolidated Performance for the Six Months ended September 30, 2012 (April 1, 2012–September 30, 2012)

(1) Consolidated Operating Results (percentages indicate year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Six months ended September 30, 2012	124,136	7.4	5,001	19.2	6,114	8.3	3,208	(2.9)
Six months ended September 30, 2011	115,555	(0.1)	4,197	10.5	5,646	12.6	3,303	42.3

Note: Comprehensive income: Six months ended September 30, 2012 ¥ 3,192million (0.9%)

Six months ended September 30, 2011 ¥ 3,165 million (–%)

	Net income per share	Diluted net income per share
	¥	¥
Six months ended September 30, 2012	31.95	-
Six months ended September 30, 2011	32.89	-

Effective October 1, 2012, TV Asahi Corporation conducted a 1:100 share split. Net income per share is calculated on the assumption that the share split was conducted on April 1, 2011.

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity* ratio
	¥ million	¥ million	%
September 30, 2012	315,375	250,556	77.9
March 31, 2012	318,519	248,531	76.5

*Owners' equity = Net assets – Share purchase warrants – Minority interests

Note: Owners' equity: September 30, 2012: ¥245,831 million; March 31, 2012: ¥243,820 million

2. Dividends

	Dividend per share				
	End-Q1	End-Q2	End-Q3	Year-end	Annual total
	¥	¥	¥	¥	¥
FYE March 31, 2012	-	1,000.00	-	1,000.00	2,000.00
FYE March 31, 2013	-	1000.00			
Forecast for FYE March 31, 2013			-	10.00	-

Note: Revisions from the latest release of dividends forecasts: None

Effective October 1, 2012, TV Asahi Corporation conducted a 1:100 share split. Forecast of the year-end per share dividend for the fiscal year ending March 31, 2013, is calculated taking the share split into consideration. Without the share split, the total annual per-share dividend would be ¥2,000.00 (End-Q2: ¥1,000.00, Year-end: ¥1,000.00).

3. Forecast for the Fiscal Year ending March 31, 2013(April 1, 2012 – March 31, 2013)

(percentages indicate year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
FYE March 31, 2013	250,000	4.2	10,500	0.4	12,500	(4.8)	7,700	2.7	76.66

Note: Revisions from the latest release of earnings forecasts: None

Effective October 1, 2012, TV Asahi Corporation conducted a 1:100 share split. Forecast of net income per share for the fiscal year ending March 31, 2013, is calculated on the assumption that the share split was conducted on April 1, 2012.

4. Other Information

- (1) Changes in consolidation status of major subsidiaries during the term: none
- (2) Accounting methods specific to quarterly consolidated financial statements: yes
- (3) Changes in accounting principles, changes in accounting estimates, and retrospective restatement
 - 1) Changes in accordance with amendments to accounting standards, etc.: none
 - 2) Changes other than noted in 1) above: none
 - 3) Changes in accounting estimates: none
 - 4) Retrospective restatement: none
- (4) Shares outstanding (ordinary shares)

	September 30, 2012	March 31, 2012
1) Number of shares issued (including treasury stock)	100,600,000	100,600,000
2) Number of shares held in treasury	158,235	158,235

	Six months ended September 30, 2012	Six months ended September 30, 2011
3) Average number of shares outstanding during the term	100,441,765	100,441,765

Effective October 1, 2012, TV Asahi Corporation conducted a 1:100 share split. Number of shares issued (including treasury stock), number of shares held in treasury, and average number of shares outstanding during the term, is calculated on the assumption that the share split was conducted on April 1, 2011.

* Quarterly Review Status

As of this report's publication, an audit of the consolidated quarterly financial statements in accordance with Japan's Financial Instruments and Exchange Act was in progress.

*Appropriate Use of Earnings Forecasts and Other Important Information

- The above forecasts are based on information available as of this report's publication. Actual results may differ from forecasts due to changes in the business environment.
- TV Asahi Corporation has scheduled an earnings presentation aimed at analysts for Wednesday, November 7, 2012, and intends to publish the presentation handout materials on its website immediately after the event.

For Reference: Non-Consolidated Forecast

Non-Consolidated Forecast for the Fiscal Year ending March 31, 2013 (April 1, 2012 – March 31, 2013)

(percentages indicate year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
FYE March 31, 2013	214,000	4.3	6,100	(0.0)	8,000	11.4	5,200	21.5	51.69

Note: Revisions from the latest release of earnings forecasts: Yes

Effective October 1, 2012, TV Asahi Corporation conducted a 1:100 share split. Forecast of net income per share for the fiscal year ending March 31, 2013, is calculated on the assumption that the share split was conducted on April 1, 2012.

Qualitative Information on Consolidated Earnings Forecast

For consolidated earnings forecast for the fiscal year ending March 31, 2013, no revisions have been made from our previous forecast which was announced on July 31, 2012, for net sales, operating income, recurring profit, and net income.

For non-consolidated earnings forecast for the fiscal year ending March 31, 2013, we expect a decrease in net sales from our previous forecast, due to the drop of spot sales induced by the slowdown of the global economy, etc. Meanwhile, as a result of cost control measures, we expect to keep our previous outlook for operating income, recurring profit, and net income.

Non-Consolidated Forecast for the Fiscal Year Ending March 31, 2013 (April 1, 2012~March31, 2013)

(millions of yen)

	Net Sales	Operating Income	Recurring Profit	Net Income	Net income per share(yen)
Previous Forecast (A)	214,800	6,100	8,000	5,200	51.69
New Forecast (B)	214,000	6,100	8,000	5,200	51.69
Difference (B-A)	(800)	-	-	-	
Difference (%)	(0.4)	-	-	-	
<Reference> Results for FYE March 31, 2012	205,235	6,101	7,180	4,279	42.54

Effective October 1, 2012, TV Asahi Corporation conducted a 1:100 share split. Forecast of net income per share for the fiscal year ending March 31, 2013, is calculated on the assumption that the share split was conducted on April 1, 2011.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(millions of yen)	
	As of March 31, 2012 Amount	As of September 30, 2012 Amount
Assets		
Current assets		
Cash and deposits	9,675	10,035
Trade notes and accounts receivable	65,366	59,504
Marketable securities	46,995	50,995
Inventories	9,497	8,001
Other current assets	6,890	8,587
Less allowance for doubtful accounts	(101)	(97)
Total current assets	138,323	137,027
Fixed assets		
Tangible assets		
Land	39,700	39,916
Other tangible assets, net	43,848	42,379
Total tangible assets	83,549	82,296
Intangible assets		
Other intangible assets	6,452	6,052
Total intangible assets	6,452	6,052
Investments and other assets		
Investment in securities	74,235	74,414
Other investments and other assets	16,261	15,864
Less allowance for doubtful accounts	(302)	(279)
Total investments and other assets	90,193	89,998
Total fixed assets	180,195	178,347
Total assets	318,519	315,375

	As of March 31, 2012 Amount	(millions of yen) As of September 30, 2012 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	11,193	9,882
Accrued income taxes	2,382	2,316
Liabilities for director bonuses	113	29
Other current liabilities	41,283	37,515
Total current liabilities	54,973	49,744
Non-current liabilities		
Liabilities for retirement and severance benefits - employees	13,592	13,848
Liabilities for retirement and severance benefits - directors and corporate auditors	479	297
Other non-current liabilities	942	927
Total non-current liabilities	15,014	15,073
Total liabilities	69,987	64,818
Net assets		
Stockholders' equity		
Common stock	36,642	36,642
Additional paid-in capital	55,342	55,342
Retained earnings	152,215	154,418
Treasury stock	(321)	(321)
Total stockholders' equity	243,879	246,082
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	102	153
Deferred gain (loss) on hedges	24	(224)
Foreign currency translation adjustments	(186)	(179)
Total accumulated other comprehensive income	(59)	(250)
Minority interests	4,710	4,725
Total net assets	248,531	250,556
Total liabilities and net assets	318,519	315,375

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(millions of yen)

	Six Months ended September 30, 2011	Six Months ended September 30, 2012
	Amount	Amount
Net sales	115,555	124,136
Cost of sales	84,719	90,910
Gross profit	30,835	33,226
SGA expenses	26,638	28,224
Operating income	4,197	5,001
Non-operating revenue		
Interest income	57	33
Dividend income	470	477
Equity in earnings of affiliates	825	491
Other non-operating revenue	272	202
Total non-operating revenue	1,626	1,204
Non-operating expenses		
Loss on disposal of fixed assets	74	32
Other non-operating expenses	102	58
Total non-operating expenses	177	91
Recurring profit	5,646	6,114
Extraordinary losses		
Loss on devaluation of investment in securities	45	314
Total extraordinary losses	45	314
Income before income taxes and minority interests	5,600	5,799
Tax expenses	2,158	2,414
Income before minority interests	3,442	3,384
Minority interests	138	176
Net income	3,303	3,208

Consolidated Statements of Comprehensive Income

	Six Months ended September 30, 2011	Six Months ended September 30, 2012
	Amount	Amount
Income before minority interests	3,442	3,384
Other comprehensive income		
Net unrealized gain on available-for-sale securities	(48)	85
Deferred gain (loss) on hedges	(211)	(249)
Foreign currency translation adjustments	(3)	6
Share of other comprehensive income of associates accounted for using equity method	(11)	(35)
Total other comprehensive income	(276)	(191)
Comprehensive income	3,165	3,192
Components:		
Comprehensive income attributable to owners of the parent	3,026	3,017
Comprehensive income attributable to minority interests	139	175

Segment Information

1. Sales and income by reportable segment

Six Months ended September 30, 2011 (April 1, 2011 to September 30, 2011)

(millions of yen)

	Reportable segment					Amounts reported on consolidated financial statements*2
	TV Broadcasting Business	Music Publication Business	Other Businesses	Total	Adjustments*1	
Sales						
Sales to outside customers	96,942	6,234	12,377	115,555	-	115,555
Inter-segment sales and transfers	1,573	107	3,105	4,786	(4,786)	-
Total	98,516	6,342	15,482	120,341	(4,786)	115,555
Segment income	2,269	994	971	4,235	(38)	4,197

Notes: 1. Adjustments refer to elimination of intersegment transactions

2. Segment income is adjusted to align it with operating income reported on the quarterly consolidated statements of income for the corresponding period.

Six Months ended September 30, 2012 (April 1, 2012 to September 30, 2012)

Six Months ended September 30, 2012 (April 1, 2012 to September 30, 2012)

	Reportable segment					(millions of yen)
	TV Broadcasting Business	Music Publication Business	Other Businesses	Total	Adjustments*1	Amounts reported on consolidated financial statements*2
Sales						
Sales to outside customers	107,467	3,623	13,045	124,136	-	124,136
Inter-segment sales and transfers	1,809	198	3,894	5,903	(5,903)	-
Total	109,277	3,821	16,940	130,039	(5,903)	124,136
Segment income	3,775	625	647	5,048	(46)	5,001

Notes: 1. Adjustments refer to elimination of intersegment transactions

2. Segment income is adjusted to align it with operating income reported on the quarterly consolidated statements of income for the corresponding period.